Office of the SELECT BOARD

TOWN OF NEEDHAM

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TO: Town Meeting Members

FROM: Select Board DATE: May 29, 2020

RE: Article 19 – Pediatric Medical Facility Zoning Proposal

Article 19 of the 2020 Annual Town Meeting Warrant requests approval of zoning changes necessary to allow Children's Hospital to build and locate a pediatric medical center in the former New England Business Center at Needham Crossing. Elements of this proposal have been under development and discussion between the Hospital and the Town during the past year, including negotiated host community and payment in lieu of taxes (PILOT) agreements. The Select Board believes this plan offers significant advantages to the Town and its residents.

This facility will provide advanced pediatric specialty medical services here in Needham, improving and simplifying access for families in Needham and surrounding communities. It will contribute to economic development and area employment opportunities, and is consistent with existing business and other uses in Needham Crossing. The project would complete the development of that portion of Needham Crossing, and will provide the Town with a stable and valuable presence. Importantly, by agreement between the Town and hospital, the proposal includes negotiated Host Community and PILOT agreements under which the Hospital will effectively pay full property taxes on its buildings and land even though it is a charitable entity. The Hospital's personal property and equipment will continue to be tax exempt (as with charities generally), but in place of that Children's will pay substantial additional amounts under the Host Community Agreement.

A two-thirds vote of Town Meeting is required for approval of this zoning amendment. Warrant Article information is posted to the Town's website, including information from Children's Hospital, and copies of the Host Community and PILOT agreements.

The Select Board unanimously recommends approval of Article 19.